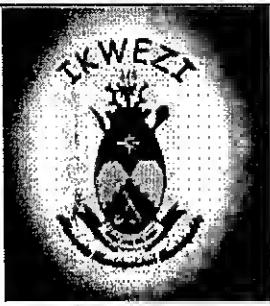


IKWEZI LOCAL MUNICIPALITY
EC103

ANNUAL REPORT 2006/2007





IKWEZI LOCAL MUNICIPALITY (EC 103)

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1. FOREWORD BY THE MAYOR

The production and presentation of this annual report (2006/07) sets the benchmark.

It reflects the systematic and progressive inroads our Municipality has made, in its efforts to improve the livelihood of its people served in Jansenville, Klipplaat and Waterford.

It is so because the annual report is our key public document through which transparency and accountability are achieved, with reference to challenges faced and overcome.

In it we lay bare our actual performance against our predetermined objectives.

In doing so, role players and our communities are enabled to assess our institution's success and to see whether we are achieving our constitutional and legislative mandates as a developmental local government.

We stand judged on our track record of bringing services to all our people. For some of our community members it is services that they never had before, to others it is an extension of services that they have always enjoyed while yet to others it is merely sustaining and maintaining the service they have taken for granted over the years as privileged few.

We stand judged too on our track record of alleviating entrenched and endemic poverty in our Municipality in an era when jobs are been created through municipal infrastructure projects e.g. Housing, Bucket eradication, Bulk Water Supply, Provision of water tanks, EPWP Road project and Learner ship, Goat & Mohair Festival.

Despite our shortcomings in the following areas:

- Bucket eradication
- Sustainable water supply
- Internal and external roads
- Poor electricity network supply
- Housing
- Local economic/unemployment rate
- Shortage of skilled labour
- Low revenue base

We persist in our efforts to deliver whilst facing increased demands on basic services, as reflected above – amidst limited economic activities.

While we bask in the glory of an outstanding accomplishment, we submit with humility and contriteness in the pages of this annual report that we had to face the reality that with all our excellent innovative interventions, our resource squeeze inhibits severely what we can and what we cannot do.

Nevertheless, these pages have some collective pockets of excellence in which our political leadership and our administrative drivers can take a collective bow.

One such pocket is our financial turnaround and progressive infrastructure developments through which we have been able to underwrite progress in various other fields.

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I have pleasure in presenting the documented evidence of these claims with the humble exhortation that the glory goes to all those who made it possible ... both the political and administrative leadership under Zola Hanabe.

SIZWE MANNETJIE MNGWEVU

Speaker/Mayor

February 2008

2. REPORT FROM THE MUNICIPAL MANAGER

This report and overview are provided by the then Acting Municipal, Ms Ntile.

INTRODUCTION

Development in every country can be properly done at the Local Government sphere of government. To combat poverty can be successfully done at this level of the government. While engaged in its service delivery role the municipality is expected to render the basic services. This municipality is rendering the basic services to its community members who are declared indigent. This municipality is still in position to play its facilitation role by involving other service providers in helping to co-ordinate provision of these services and the participation of its public. Considering the huge challenges that face this municipality, delivering on its mandate poses a huge task.

The demands to and as well as the expectations that are there from a local government sphere of government by the community is gradually growing as the budget of the municipality is still very low. It should be noted that Ikwezi is a combination of two municipalities operating with a budget of only one of these municipalities is a night mare on this municipality.

POVERTY AND UNEMPLOYMENT

- Majority of the community has an income which is below the breadline and depends on grants.

- There is a high unemployment which is ± at 63 %
- Greater part of family heads earn less than R 1 100.00
- Inadequate access to doctors assistance and package of HIV/Aids prevention
- Hospital facility is minimal
- Youth and children are the most vulnerably affected by the unemployment and are forced to migrate
- Insufficient community facilities and poor conditions of those that are available
- The state of the environment impacts negatively on the status of the community
- Gender inequality needs attention as this exists in the economic, physical and institutional environment
- High staff shortage

Having eluded to the above facts and figures, and the gloomy picture painted – it is not all lost. Administratively no stone are left unturned, in our efforts to ensure that service delivery to our local people and businesses – are not compromised.

The passion and drive of our political leadership, are complementary to the very reasons we as Municipality are in existence.

The new dawn is about to break, bringing along yet new challenges and demands but also new lessons to be learned and domains to overcome.

May the new financial year bring but only good and better deliverable to our communities.

3. INTRODUCTION AND OVERVIEW

VISION

The Ikwezi Municipality's vision has been re – arranged as follows:

Ikwezi Municipality will be recognized as:

1. economically prosperous,
2. self-sustainable and
3. socially responsive Municipality, committed to effective and efficient service provision and
4. Facilitates empowerment programmes that will result in local residents being self-reliant.

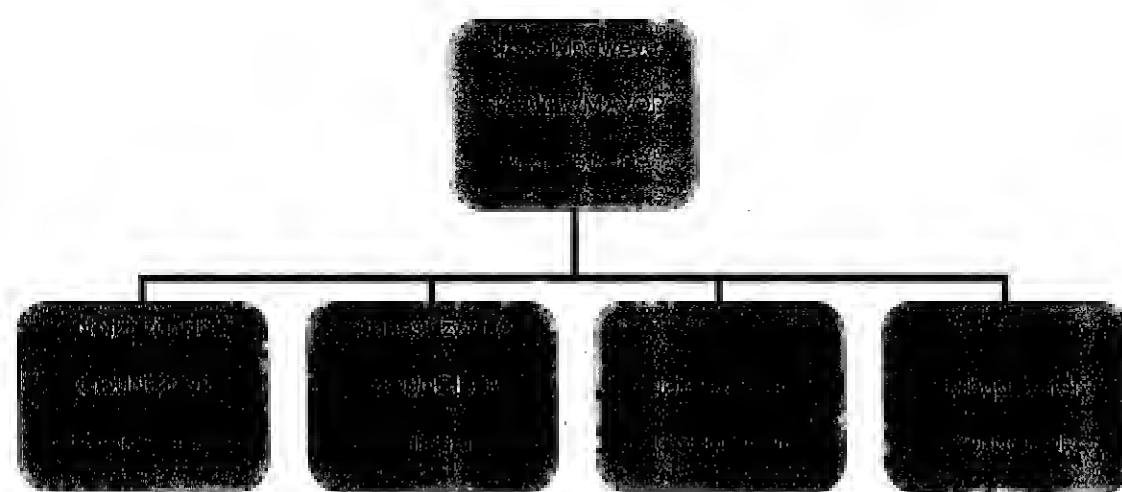
MISSION STATEMENT

We believe our primary responsibility is with the residents of Ikwezi. We exist to provide community services; promotion and deepening of local democracy; to stimulate socio-economic development; creation of space for community participation and human resource development, and to facilitate sustainable livelihood for local residents.

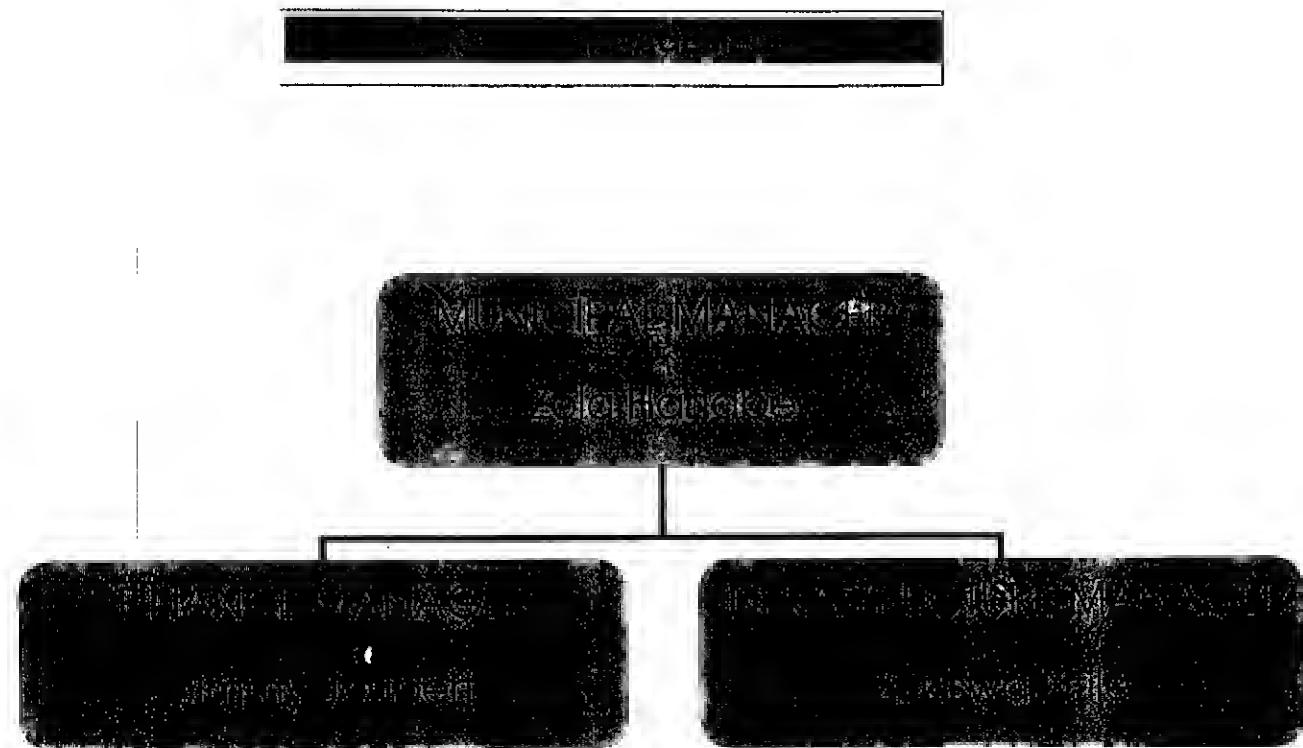
We strive to be transparent and accountable in the execution of our responsibilities, and being effective and efficient in the implementation of the programmes and projects.

We recognize the value and mutual benefits of networking and working in partnership with stakeholders such as District Municipality, SALGA, Provincial and National Governmental Agencies.

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GEOGRAPHIC INPUTS

LOCATION -

Ikwezi Municipality [EC103] is located within the boundaries of the Cacadu District Municipality [DC10], which is the largest of the six District Municipalities in the eastern Cape. Ikwezi Municipality is constituted by the following rural towns within its boundaries, namely Jansenville, Klipplaat and Waterford.

Characteristic of this area is its Noorsveld fauna and flora, and the Mohair goats and farming activities within the area. It is approximately 145 km from Port Elizabeth on the R 75 route, on your way to Graaff – Reinet, and ultimately Johannesburg.

The Municipality is a Category B Municipality, alongside the other eight (8) also within the Cacadu District Municipality boundary.

Access routes and main roads are well maintained, as they lead traffic through the heart of the town of Jansenville – from Port Elizabeth and from Graaff-Reinet.

CENSUS INFO -

In terms of section 43 of the Local Government: Municipal Systems Act, the Minister for Local Government has prescribed general key performance indicators (KPI's). Every municipality is required to include these indicators in their IDP's and report on these KPI's.

- Water

	Water on site		Community stand		Borehole/tank		Natural water / dam	
	Census 2001	RSS 2006	Census 2001	RSS 2006	Census 2001	RSS 2006	Census 2001	RSS 2006
	%	%	%	%	%	%	%	%
Ikwezi	91.0	83.1	7.6	0.0	0.5	12.9	0.2	0.0

- Sanitation

	Flush toilet (connected to sewerage system)		Flush toilet (with septic tank)		Chemical toilet		Bucket latrine	
	Census 2001	RSS 2006	Census 2001	RSS 2006	Census 2001	RSS 2006	Census 2001	RSS 2006
	%	%	%	%	%	%	%	%
Ikwezi	17.7	66.7	11.4	0.0	0.1	0.0	48.8	21.7

• Electricity

	Electricity		Gas		Paraffin		Candles	
	Census 2001	RSS 2006	Census 2001	RSS 2006	Census 2001	RSS 2006	Census 2001	RSS 2006
	%	%	%	%	%	%	%	%
Ikwezi	72.2	77.9	0.3	0.0	22.7	18.1	4.1	4.0

Evident and confirmed by the various census and surveys completed in and around the municipal boundaries of Ikwezi Municipality – is the low figures or percentages relating to the critical water availability and quality, electricity and other infrastructure related challenges, faced by the Municipality and experienced by the community members.

4. FUNCTIONAL AREA SERVICE DELIVERY REPORTS

4.1 CORPORATE SERVICES

SUB-FUNCTION : HUMAN RESOURCE

- **Overview**

Includes all activities relating to the Human Resource Management function including recruitment, selection, induction, people management and payroll administration.

- **Description of Activity**

Human Resource Management is a specialized function which provides support services for other managers in the institution to enable them to make optimal use of their personnel, and includes the following :

1. Developing HR Policies and Procedures

2. Recruitment and Selection –

The recruitment, including overseeing the preparation of job descriptions, advertising, interviewing and appointment of personnel.

3. Skills Development Facilitation

4. Employer/Employee Relations

5. Employment Equity

6. Induction of new officials

- Strategic Objectives
- Maintenance and review of personnel policies
- Effective functioning of the Local Labour Forum and maintenance of labour peace
- Employment equity and skills development
- Human Resource Planning
- Organizational development

4.2 COMMUNITY SERVICES

- **Overview**

Included under the services rendered are primary health care services, community and other social services.

- **Description of Activity**

Primary Health Care

The services rendered by the 2 locally located clinics are, but not limited to:

Maternal and Child Health Services

Provision of Essential medicines

Services to combat and control communicable diseases, eg. TB, HIV and AIDS, etc

Other services: Health information, EPI surveillance Programme Services, etc

Community and Social Services

Provision and upgrading of cemeteries, community halls, libraries

Programmes for the empowerment of Youth, Women and Disabled

Programmes on HIV and AIDS mitigation measures and human dignity

4.3 FINANCE

The Municipality is gradually rehabilitating on financial growth and development on finance management. The total budget of the Municipality can only be stretched to R 11 million as its revenue base is limited. This municipality is still focused on its vision and mission. No matter what the circumstances are, this municipality wants to achieve all programmes and projects that are set up for the economic development and address the challenges that face its community. It is important that the municipality ensures that the basic needs of the community are its priority. The first Audited statements have been produced since 1998. This on its own has been a great achievement. The financial statements were produced before the due date. This has been the second year in succession.

Ensuring that the capital projects are funded by the municipality is still a problem as this municipality depends on government grants for its capital projects. The IDP processes have assisted the municipality in identifying its priorities with the community. Aligning the budget with the IDP has been partly successful because of the dependency on government grants.

Economic development is one of the priorities because of the high unemployment.

- **Overview**

This includes all activities relating to the finance function of the municipality, including revenue collection, supply chain management, risk management.

- **Description of activity**

The function of finance within the municipality is administered by the Budget and Treasury Office of the Department: Finance and Corporate Services, and includes :

- Provision of relevant, accurate and reliable financial information to all users including councillors, managers, levy payers and stakeholders to facilitate informed decision making
- Provision, maintenance and implementation of sound financial policy, controls and systems
- Ongoing introduction of budgetary and accounting reforms
- Production of annual budget and GAMAP / GRAP / GAAP compliant annual financial statements
- Internal audit and risk management
- The maintenance of an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds. All monies owed to suppliers and service providers are paid within 30 days of receiving the relevant invoice or statement unless there are special arrangements
- Revenue collection and cash flow management
- Capacity building by way of training interns, councillors and officials.

4.4 INFRASTRUCTURE

Project achievements and challenges for 06/07 Financial Year

Background

The backlog identified for eradication in that particular financial year is that one of surfacing gravel roads, bucket eradication in phases, Waste water treatment works and Water tanks project. These were projects implemented at the period starting March 2006 and ending June 2007.

Challenges

One of the challenges that faced the municipality was the funding of these projects and to meet the target that was set by the municipality for their achievement. The other one was the approval/recommendation for funding by DWAF which took very long process to recommend.

The impact and the role that these projects will play in changing the lives of the community was to speed up the process and start implementing as fast as possible.

The decision that was taken by council was to firstly start by eradicating buckets in the Jansenville area then follow up with the upgrading of roads. The only delay was the funding to implement the project.

Bucket eradication programme started by putting the sewer reticulation for outfall sewer. The outfall sewer was falling into phase one as the project was divided into four phases.

Working relationships

The Ikwezi Municipality has a good working relationship with the district and provincial Department of Local government in terms of capacitating or assisting the institution.

The other working relationship is with department of roads and transport where the community members were appointed to do the roads project in an EPWP approach.

Achievements and expenditure

The achievement is the speeding up of MIG funding from 14% and up to 95% in three months. The municipality was slowly spending the funds and they were about to be taken away because of this but that changed drastically.

The roads projects managed to spend the funding up to 87% by end of March 2007, of which it was very quick for the EPWP project

Learnership Project was established by the department of road & public works but funded by CETA, during August 2006. It recruited 62 learners..

The funding for the 700 water tanks project has been approved for implementation of the project to cater for every house hold.

5. AUDITED STATEMENTS AND RELATED FINANCIAL INFORMATION

Find the attached documents

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